

<i>SERFF Tracking Number:</i>	<i>BNLA-128510397</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Bankers Life and Casualty Company</i>	<i>State Tracking Number:</i>	<i>RPT-LTC 2011</i>
<i>Company Tracking Number:</i>	<i>2011 LTC LAPSE AND REPLACEMENT REPORTS</i>		
<i>TOI:</i>	<i>LTC06 Long Term Care - Other</i>	<i>Sub-TOI:</i>	<i>LTC06.000 Long Term Care - Other</i>
<i>Product Name:</i>	<i>2011 Lapse/Replacement Report</i>		
<i>Project Name/Number:</i>	<i>2011 Lapse/Replacement Report/2011 Lapse/Replacement Report</i>		

Filing at a Glance

Company: Bankers Life and Casualty Company

Product Name: 2011 Lapse/Replacement Report SERFF Tr Num: BNLA-128510397 State: Arkansas

TOI: LTC06 Long Term Care - Other SERFF Status: Closed-Accepted State Tr Num: RPT-LTC 2011
For Informational Purposes

Sub-TOI: LTC06.000 Long Term Care - Other Co Tr Num: 2011 LTC LAPSE AND REPLACEMENT REPORTS State Status: Closed-Accepted for Informational Purposes

Filing Type: Form	Author: Lucy Sutton	Reviewer(s): Donna Lambert
	Date Submitted: 06/25/2012	Disposition Date: 06/25/2012
		Disposition Status: Accepted For Informational Purposes
Implementation Date Requested:		Implementation Date:

State Filing Description:

General Information

Project Name: 2011 Lapse/Replacement Report
Project Number: 2011 Lapse/Replacement Report
Requested Filing Mode: Informational
Explanation for Combination/Other:
Submission Type: New Submission
Overall Rate Impact:

Status of Filing in Domicile:
Date Approved in Domicile:
Domicile Status Comments:
Market Type: Individual
Individual Market Type:
Filing Status Changed: 06/25/2012
State Status Changed: 06/25/2012
Created By: Lucy Sutton
Corresponding Filing Tracking Number:

Deemer Date:

Submitted By: Lucy Sutton

Filing Description:

RE: LONG TERM CARE REPORTING REQUIREMENTS
ANNUAL LAPSE AND REPLACEMENT REPORTS

Dear Insurance Department Personnel:

Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), long-term care insurance carriers are required to annually report information on policy lapse and replacement sales.

SERFF Tracking Number: BNLA-128510397 State: Arkansas
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The enclosed reports include both tax-qualified and non-qualified long-term care contracts.

Enclosed are the following reports for the calendar year of 2011:

Top 10% Agents Replacement Rates
Top 10% Agents Lapse Rate
Total Lapse and Replacement Report

We've included an explanatory note regarding the credibility of these reports.

Should you have any question on the enclosed, please feel free to contact us.

State Narrative:

Company and Contact

Filing Contact Information

Lucy Sutton, Information Coordinator l.sutton@banklife.com
111 East Wacker Drive Suite 2100 (20-F35) 312-396-6122 [Phone]
Chicago, IL 60601-4508 312-396-5907 [FAX]

Filing Company Information

Bankers Life and Casualty Company CoCode: 61263 State of Domicile: Illinois
111 East Wacker Drive Suite 2100 Group Code: 233 Company Type:
Chicago, IL 60601-4508 Group Name: State ID Number:
(800) 621-3724 ext. [Phone] FEIN Number: 36-0770740

Filing Fees

Fee Required? No
Retaliatory? No
Fee Explanation:
Per Company: No

COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Bankers Life and Casualty Company	\$0.00	06/25/2012	

SERFF Tracking Number: BNLA-128510397 State: Arkansas
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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Accepted For Donna Lambert Informational Purposes		06/25/2012	06/25/2012

SERFF Tracking Number: *BNLA-128510397* *State:* *Arkansas*
Filing Company: *Bankers Life and Casualty Company* *State Tracking Number:* *RPT-LTC 2011*
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TOI: *LTC06 Long Term Care - Other* *Sub-TOI:* *LTC06.000 Long Term Care - Other*
Product Name: *2011 Lapse/Replacement Report*
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Disposition

Disposition Date: 06/25/2012

Implementation Date:

Status: Accepted For Informational Purposes

Comment:

Rate data does NOT apply to filing.

<i>SERFF Tracking Number:</i>	<i>BNLA-128510397</i>	<i>State:</i>	<i>Arkansas</i>
<i>Filing Company:</i>	<i>Bankers Life and Casualty Company</i>	<i>State Tracking Number:</i>	<i>RPT-LTC 2011</i>
<i>Company Tracking Number:</i>	<i>2011 LTC LAPSE AND REPLACEMENT REPORTS</i>		
<i>TOI:</i>	<i>LTC06 Long Term Care - Other</i>	<i>Sub-TOI:</i>	<i>LTC06.000 Long Term Care - Other</i>
<i>Product Name:</i>	<i>2011 Lapse/Replacement Report</i>		
<i>Project Name/Number:</i>	<i>2011 Lapse/Replacement Report/2011 Lapse/Replacement Report</i>		

Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		Yes
Supporting Document	Health - Actuarial Justification		Yes
Supporting Document	Outline of Coverage		Yes
Supporting Document	LTC Replacments/Lapses	Accepted for Informational Purposes	Yes

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Product Name: 2011 Lapse/Replacement Report
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Supporting Document Schedules

		Item Status:	Status Date:
Bypassed - Item:	Flesch Certification		
Bypass Reason:	Not applicable		
Comments:			
		Item Status:	Status Date:
Bypassed - Item:	Application		
Bypass Reason:	Not applicable		
Comments:			
		Item Status:	Status Date:
Bypassed - Item:	Health - Actuarial Justification		
Bypass Reason:	Not applicable		
Comments:			
		Item Status:	Status Date:
Bypassed - Item:	Outline of Coverage		
Bypass Reason:	Not applicable		
Comments:			
		Item Status:	Status Date:
Satisfied - Item:	LTC Replacments/Lapses	Accepted for Informational Purposes	06/25/2012
Comments:			
Attachment:			
AR-2011 Reports.pdf			

BANKERS LIFE AND CASUALTY COMPANY

EXPLANATION OF LONG TERM CARE LAPSE AND REPLACEMENT REPORTS

Definitions

1. Number of First Year Lapses - Defined as paid for policies which terminate in the Calendar Year without paying any second year premium.
2. First Year Percentage Lapsed - Since First Year Lapses during a calendar year originate from policies issued in that year as well as the prior calendar year, this is defined as the Number of First Year Lapses as a percentage of the average Number of Policies Sold in the two calendar years.
3. Total Lapse Rate - Defined as all lapses in the Calendar Year, (excluding current year issues), as a percentage of the Number of Policies In Force at the Beginning of the Calendar Year.
4. Current Year Replacement Rate - Defined as the number of Current Year Replacement Sales as a percentage of current Calendar Year Policies Sold.
5. Total Replacement Rate (Company Only) - Defined as number of Current Year Replacement Sales as a percentage of the Number of Policies In Force at the Beginning of the Calendar Year.

Data Credibility

The lack of volume of Long Term Care sales, lapses and replacements at the individual agent level makes the credibility of such data highly suspect.

The top 10% lapse rates at the individual agent level will often yield agents selling only a few policies, (maybe as few as one), which have nearly all lapsed. Such high lapse (or replacement) rates should not be interpreted as a violation of insurance laws or imply any wrong doing.

Note that the volume of Long Term Care Sales has a great impact on the credibility of the illustrated lapse and replacement rates. An Actuarial Subgroup of the HIAA calculated a statistical credibility table (see below) using a binomial distribution. This table illustrates that even with 30 policies sold the observed lapse or replacement rate is still likely to be incorrect by more than 10 percentage points in 30% of the cases. Fewer than 30 policies would cause even more fluctuation.

Chances of Reported Rate Being Outside the True Underlying Rate by 9.9 Percentage Points

<u>Number of Policies</u>	<u>20 Percent Underlying Rate</u>	<u>30 Percent Underlying Rate</u>
30	3 out of 10	3 out of 10
40	2 out of 10	2 out of 10
50	1 out of 10	2 out of 10

Replacement and Lapse Reporting Form

Long Term Care Insurance

Replacement and Lapse Reporting Form

For the State of	AR	For the Reporting Year of	2011
Company Name:	Bankers Life and Casualty Company	Due:	June 30 annually
Company Address:	111 East Wacker Drive, Suite 2100	Company NAIC Number:	233-61263
	Chicago IL 60601-4508		
Contact Person:	Dan Murphy, Compliance Manager	Phone Number:	312-396-6134

Instructions:

The purpose of this form is to report on a statewide basis information regarding long term care insurance policy replacements and lapses. Specifically, every insurer shall maintain records for each agent on that agent's amount of long term care insurance replacement sales as a percent of the agent's total annual sales and the amount of lapses of long term care insurance policies sold by the agent as a percent of the agent's total annual sales. The tables below should be used to report the ten percent (10%) of the insurer's agents with the greatest percentages of replacements and lapses.

Listing of the 10% of Agents with the Greatest Percentage of Replacements

Agent's Name	Number of Policies Sold By This Agent	Number of Policies Replaced By This Agent	Number of Replacements As % of Number Sold By This Agent
Please see attached listing			

Listing of the 10% of Agents with the Greatest Percentage of Lapses

Agent's Name	Number of Policies Sold By This Agent	Number of Policies Lapsed By This Agent	Number of Lapses As % of Number Sold By This Agent
Please see attached listing			

Company Totals

Percentage of Replacement Policies Sold to Total Annual Sales 11.10%

Percentage of Replacement Policies Sold to Policies In Force (as of the end of the preceding calendar year) 0.10%

Percentage of Lapsed Policies to Total Annual Sales 13.30%

Percentage of Lapsed Policies to Policies In Force (as of the end of the preceding calendar year) 7.90%

BANKERS LIFE AND CASUALTY
LONG TERM CARE TOP 10% AGENTS BASED ON NON-ZERO REPLACEMENT RATES
STATE OF ARKANSAS
CALENDAR YEAR 2011

WRITING
ORGANIZATION - BLC

AGENT NAME	AGENT NUMBER	2011	NUMBER OF POLICIES SOLD 2010	TOTAL	CURRENT YR REPLACEMENT SALES	CURRENT YR REPLACEMENT RATE
CHARLES, JACK	Q2495	3.0	0.0	3.0	2.00	66.7
HALL, RAMONA	Q3798	2.0	3.5	5.5	1.00	50.0
WILLIAMS, VALERIE	P7209	3.0	2.5	5.5	1.00	33.3
TOTAL		8.0	6.0	14.0	4.00	50.0

BANKERS LIFE AND CASUALTY
LONG TERM CARE TOP 10% AGENTS BASED ON NON-ZERO LAPSE RATE
STATE OF ARKANSAS
CALENDAR YEAR 2011

WRITING
ORGANIZATION - BLC

AGENT NAME	AGENT NUMBER	2011	NUMBER OF POLICIES SOLD 2010	TOTAL	NUMBER OF LAPSES IN FIRST YR	FIRST YR LAPSE RATE	TOTAL INFORCE POLS AS OF 1/1/11	TOTAL LAPSED POLICIES EXCLUDING CURRENT YR	TOTAL LAPSE RATE
DEATON, DEREK	P9985	0.0	0.5	0.5	0.5	200.0	0.5	0.5	100.0
LUCAS, JON	Q1166	0.0	0.5	0.5	0.5	200.0	0.5	0.5	100.0
DUNCAN, NOEL	B7322	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
HINDMAN, JONOTHAN	C0793	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
GOODE, JEWEL	C6797	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
GOINS, JAMES	C9163	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
SHAW, CYNTHIA	D2604	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
SPIKES, BOBBY	D5310	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
SHARP, KEITH	F3666	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
BENTON, ELTON	F7538	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
FETNER, JERRY	G2090	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
ELLING, SHANNON	G8473	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
SMITH, BRADLEY	H2062	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
JOHNSON, DONALD	H3679	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
HUFFSTETLER, ROBERT	H5088	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
BOWSER, JOHN	H6814	0.0	0.0	0.0	0.0	0.0	1.5	1.5	100.0
CROW, ERIC	I0947	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
SPRADLIN, BROD	I4927	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
BOYD, DANETTE	I7103	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
WHITE, TERRY	I8144	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
BARRETT, EDWARD	I8693	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
HARPER, KRISTAL	I9913	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
MARTZ, TONY	L0994	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
MALLOY, PAUL	L9781	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
RIDINGS, MARK	L9958	0.0	0.0	0.0	0.0	0.0	1.0	1.0	100.0
SIUDA, DELOIS	P5041	0.0	0.0	0.0	0.0	0.0	0.5	0.5	100.0
CASTIGLIA, KEVIN	M0017	0.0	0.0	0.0	0.0	0.0	1.5	1.0	66.7
,		0.0	0.5	0.5	0.0	0.0	1.0	0.5	50.0
HATFIELD, THOMAS	C3772	0.0	0.0	0.0	0.0	0.0	2.0	1.0	50.0
WILLIAMS, MARCELLA	D8644	0.0	0.0	0.0	0.0	0.0	3.0	1.5	50.0
WILLIAMS, STACIE	E4466	0.0	0.0	0.0	0.0	0.0	2.0	1.0	50.0
ADAMS, REGINA	G0452	0.0	0.0	0.0	0.0	0.0	2.0	1.0	50.0
MATSON, BENJAMIN	H0798	0.0	0.0	0.0	0.0	0.0	1.0	0.5	50.0
BRANDON, SUSAN	H1188	0.0	0.0	0.0	0.0	0.0	1.0	0.5	50.0
LAMONS, JOHN	H4076	0.0	0.0	0.0	0.0	0.0	2.0	1.0	50.0
VILLAFRANCA, CESAR	I5945	0.0	0.0	0.0	0.0	0.0	1.0	0.5	50.0
SITES, TOBY	I6279	0.0	0.0	0.0	0.0	0.0	1.0	0.5	50.0
STURGES, WANDA	M1418	0.0	0.0	0.0	0.0	0.0	2.0	1.0	50.0
LUCAS, AMY	P2953	0.0	1.0	1.0	0.0	0.0	2.0	1.0	50.0
WEATHERFORD, VICKI	F8002	0.0	0.0	0.0	0.0	0.0	2.5	1.0	40.0
JORDAN, JASON	H8600	0.0	0.0	0.0	0.0	0.0	2.5	1.0	40.0
LINDSEY, LARRY	H4190	0.0	0.0	0.0	0.0	0.0	6.5	2.5	38.5
ROBERTS, DEWEY	G2067	0.0	0.0	0.0	0.0	0.0	4.0	1.5	37.5
EARP, ROBY	P5531	0.0	6.0	6.0	0.5	16.7	10.0	3.5	35.0
MARRS, JOHN	C7527	0.0	0.0	0.0	0.0	0.0	6.0	2.0	33.3
SUMMERS, CLINTON	F2133	0.0	0.0	0.0	0.0	0.0	1.5	0.5	33.3

BANKERS LIFE AND CASUALTY
LONG TERM CARE TOP 10% AGENTS BASED ON NON-ZERO LAPSE RATE
STATE OF ARKANSAS
CALENDAR YEAR 2011

WRITING
ORGANIZATION - BLC

AGENT NAME	AGENT NUMBER	2011	NUMBER OF POLICIES SOLD 2010	TOTAL	NUMBER OF LAPSES IN FIRST YR	FIRST YR LAPSE RATE	TOTAL INFORCE POLS AS OF 1/1/11	TOTAL LAPSED POLICIES EXCLUDING CURRENT YR	TOTAL LAPSE RATE
BEAN, SALLY	F6683	0.0	0.0	0.0	0.0	0.0	3.0	1.0	33.3
POWELL, GARY	G2589	0.0	0.0	0.0	0.0	0.0	1.5	0.5	33.3
SCHROEDER, DANIEL	H1854	0.0	0.0	0.0	0.0	0.0	3.0	1.0	33.3
MCCONNELL, RICHARD	H7961	0.0	0.0	0.0	0.0	0.0	3.0	1.0	33.3
FLETCHER, JUSTIN	IO270	0.0	0.0	0.0	0.0	0.0	3.0	1.0	33.3
MCCORMIC, LESLIE	I8682	0.0	0.0	0.0	0.0	0.0	1.5	0.5	33.3
COOPER, ADAM	I8948	0.0	0.0	0.0	0.0	0.0	1.5	0.5	33.3
SELF, RONALD	L4239	0.0	0.0	0.0	0.0	0.0	3.0	1.0	33.3
PRANGER, HARRY	M1352	0.0	0.0	0.0	0.0	0.0	3.0	1.0	33.3
ARMSTRONG, GLENDA	M9769	0.0	0.0	0.0	0.0	0.0	1.5	0.5	33.3
ARCHER, JAMES	D3404	0.0	0.0	0.0	0.0	0.0	3.5	1.0	28.6
HAYNIE, WILLIAM	F8748	0.0	0.0	0.0	0.0	0.0	3.5	1.0	28.6
LESTER, MINDY	L1431	0.0	0.0	0.0	0.0	0.0	3.5	1.0	28.6
STEIN, NATALIE	N4287	0.0	2.0	2.0	0.5	50.0	2.0	0.5	25.0
DILLMAN, KIMBERLY	N7935	0.5	2.0	2.5	0.5	40.0	2.0	0.5	25.0
FLIPPO, CHARLES	D8871	0.0	0.0	0.0	0.0	0.0	2.0	0.5	25.0
WOLFORD, WILLIAM	E7617	0.0	0.0	0.0	0.0	0.0	2.0	0.5	25.0
YOUNG, AARON	E9297	0.0	0.0	0.0	0.0	0.0	2.0	0.5	25.0
BERGER, CHRIS	F3796	0.0	0.0	0.0	0.0	0.0	8.0	2.0	25.0
HURST, WARREN	F4612	0.0	0.0	0.0	0.0	0.0	2.0	0.5	25.0
WESLEY, JAMEEL	H5964	0.0	0.0	0.0	0.0	0.0	4.0	1.0	25.0
HILL, BRYAN	H8507	0.0	0.0	0.0	0.0	0.0	4.0	1.0	25.0
STEPHENSON, JAMIE	IO090	0.0	0.0	0.0	0.0	0.0	2.0	0.5	25.0
WILCOX, MATT	I2171	0.0	0.0	0.0	0.0	0.0	4.0	1.0	25.0
TAYLOR, DALE	I7337	0.0	0.0	0.0	0.0	0.0	6.0	1.5	25.0
TOMASIELLO, PATRICIA	MO360	0.0	0.0	0.0	0.0	0.0	2.0	0.5	25.0
YOUNG, MARK	F9947	0.0	0.0	0.0	0.0	0.0	4.5	1.0	22.2
MC ENTIRE, DANNY	C7020	0.0	0.0	0.0	0.0	0.0	5.0	1.0	20.0
JARAGOSKY, ELA	F2422	0.0	0.0	0.0	0.0	0.0	2.5	0.5	20.0
FORD, JASON	G6051	0.0	0.0	0.0	0.0	0.0	27.0	5.5	20.4
TOTAL		0.5	12.5	13.0	2.5	38.5	189.0	71.5	37.8

BANKERS LIFE AND CASUALTY
LONG TERM CARE LAPSE AND REPLACEMENT REPORT
STATE OF ARKANSAS
CALENDAR YEAR 2011

WRITING ORGANIZATION	NUMBER OF 2011	POLICIES SOLD 2010	SOLD TOTAL	NUMBER OF FIRST YEAR LAPSES	FIRST YEAR % LAPSED	TOTAL INFORCE POLS AS OF 1/1/11	TOTAL LAPSED POLICIES EXCLUDING CURRENT YR	TOTAL LAPSE RATE	CURRENT YEAR REPL SALES	CURRENT YEAR REPL RATE	TOTAL % REPL RATE EXCLUDING CURRENT YR
BLC	36	69	105	7	13.3	3,398	269	7.9	4	11.1	0.1